

# Guaranteed Education Tuition



**HECB Advisory Council**

**October 6, 2005**

# GET was established in 1998

- RCW 28B.95
  - Provides Washington citizens the opportunity to pre-pay college tuition
  - Encourages families to save for college

# Facts about the GET Program

- GET is Washington's prepaid tuition plan, authorized by Section 529 of the Internal Revenue Code
- GET Committee oversees program and policies
  - Chair: HECB executive director
  - Other members: state treasurer, OFM director and two citizens
- State Investment Board invests and monitors funds
- HECB administers day-to-day operations

# Key features of GET Program

- The state guarantees that money saved will keep pace with rising college tuition
- Under current federal tax law, earnings on GET accounts are tax-exempt when used for college expenses
- Unit price is adjusted annually by GET Committee to reflect increases in tuition
- The program is self-sustaining

# How GET works

- Tuition is sold in units: 100 units equal one year's tuition at the highest priced Washington public university
- Families may buy up to 500 units per student
- Units may be used at over 35,000 colleges, universities, or job training schools in the U.S.
- The 2005-06 enrollment period is September 15 to March 31
- Unit price for 2005-06 is \$66

# What's new this year

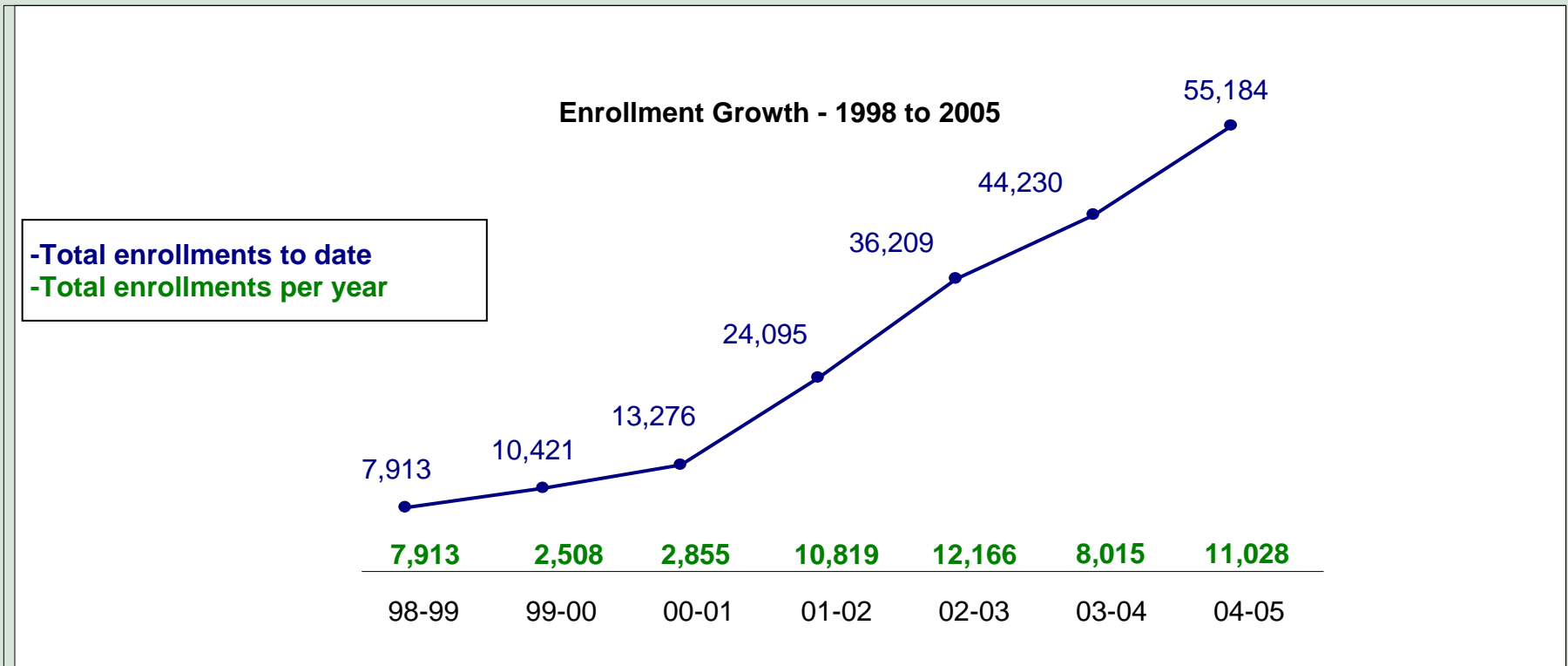
- More people are eligible to participate
  - Either the student or account owner must live in Washington when the account is opened.
- GET accounts now receive bankruptcy protection

# **GET is the fastest-growing prepaid tuition program in the nation**

- More than 55,000 accounts have been opened
- Families have purchased more than 11.3 million units
- More than \$467.7 million in payments have been received
- Current contracts have total value of more than \$625 million (current receipts plus future commitments)

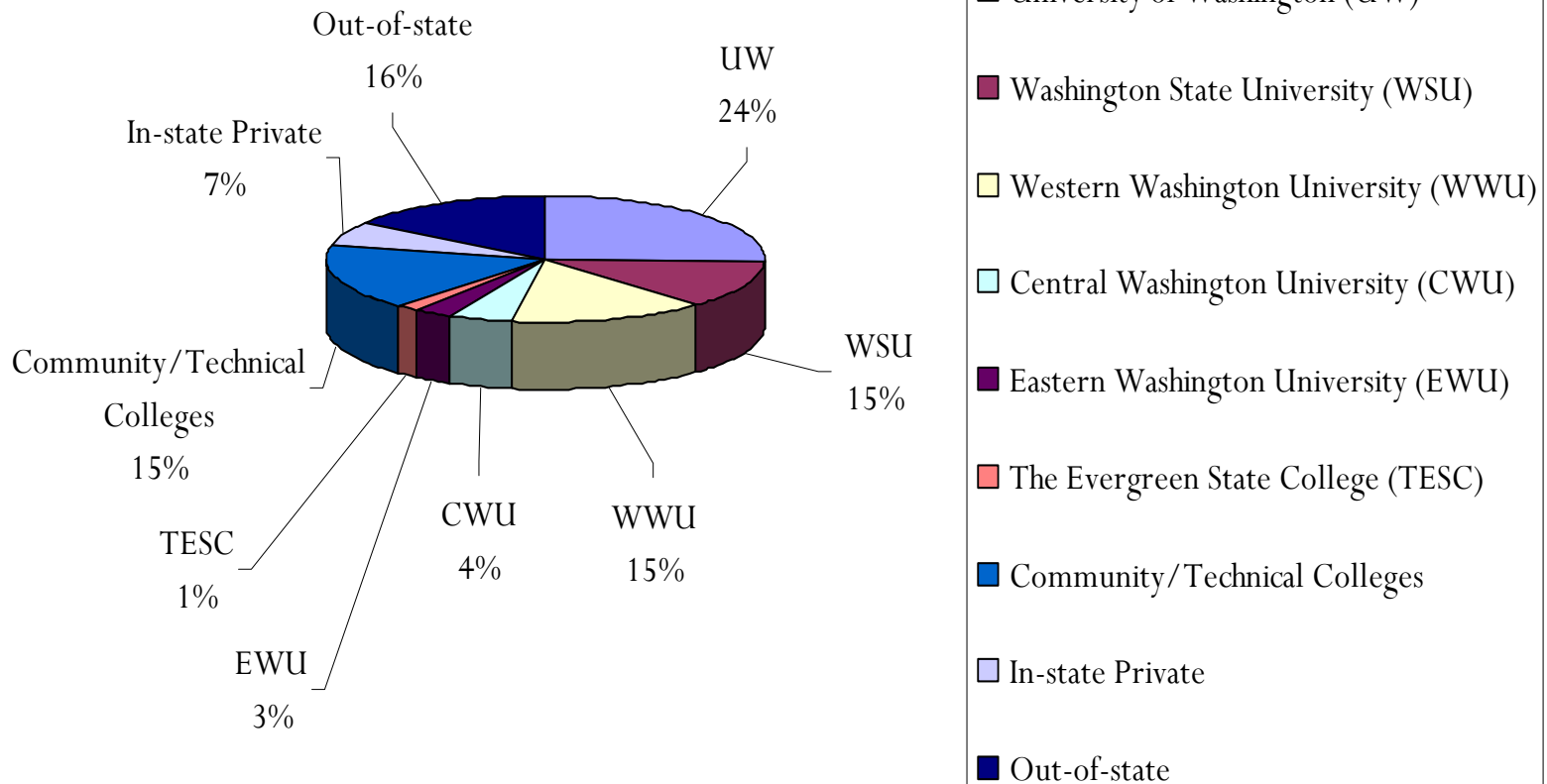
# Growth of GET accounts

## GROWTH OF ACTIVE ACCOUNTS SINCE PROGRAM INCEPTION

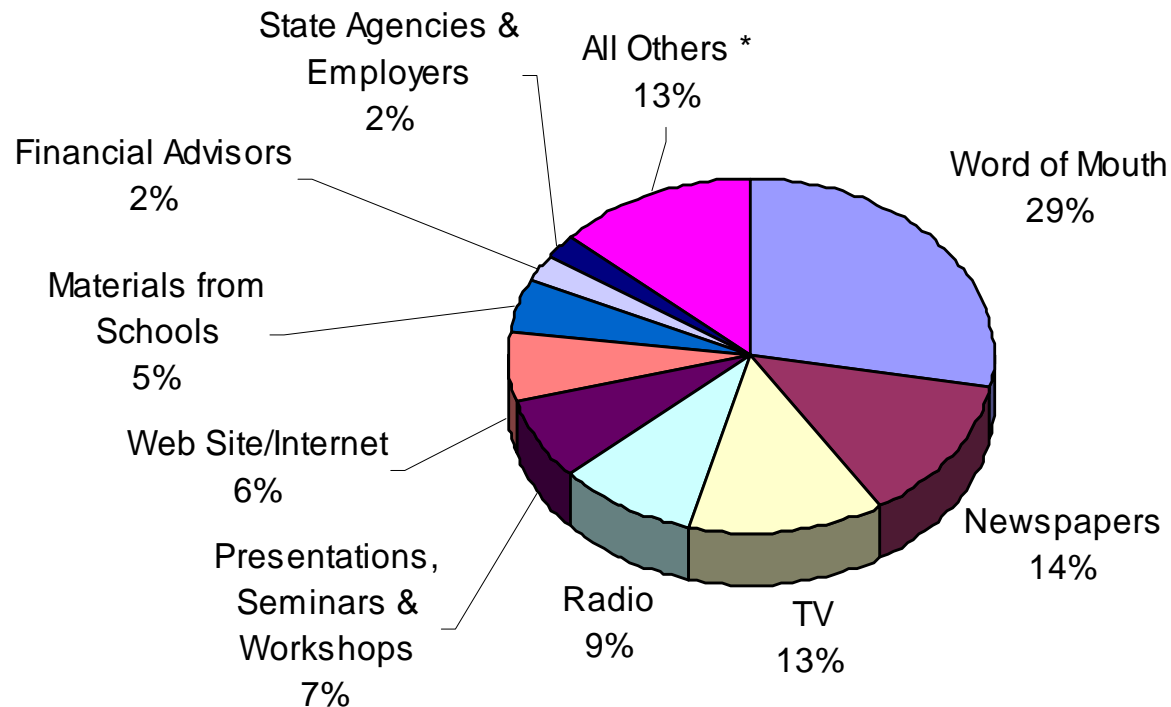




# Most Students Use Their GET Units at Washington Public Colleges and Universities



# Word of mouth is the program's most effective marketing tool



# Tuition impacts on GET

- Any long-term tuition policy must protect the long-term viability of the program
- To remain actuarially sound, the program must have predictable tuition so the unit price can be accurately adjusted

# GET Program information

**Web site:      [www.get.wa.gov](http://www.get.wa.gov)**

**Toll-free:      877.438.8848**

